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From:

Wayne Hedberg

To:

Nancy Allen@blm.gov

Date:

6/14/04 11:35AM

Subject:

Re: Agreement Format - Magcorp (US Magnesium) Knolls Reclamation (bond forfeiture)

Nancy.

Sorry it has taken me so long to respond back to you. I ran your standard MOU form past our inhouse finance personnel (Carl Roberts). I also discussed with him your suggestion that we take a look at any existing state contract forms that might be applicable. He referred me to the attached form.

Attached is a copy of a standard state finance purchasing contract form #FI-84. We also have a standard amendment form #FI-84A available for contract amendments. Take a look at this one and see what you think.

I know we'll still need to work up a "Scope of Work" document jointly to attach and whatever else we mutually agree might be needed to make this joint agency reclamation agreement scenario work.

FYI, effective July 6th, I will be trading positions with Daron Haddock, as a supervisor for our Coal Regulatory program. Daron will be assuming my position in the Minerals program. He'll be your principal contact after that date @ (801)538-5325.

Please advise if the form does not come through O.K. It is in a "pdf" format.

Thanks for your help. Wayne Hedberg (801) 538-5286

>>> <Nancy Allen@blm.gov> 04/06/04 10:02AM >>>

Hi Wayne,

Attached is a template for a Memorandum of Understanding. Please let me know if this will work for you.

(See attached file: Memorandum of Understanding.doc)

Nancy Allen (801) 977-4320

Daron Haddock; Doug Jensen; Glenn Carpenter@ut.blm.gov; Mary Ann Wright; Mike_E_Ford@ut.blm.gov; Mike_Nelson@ut.blm.gov